Development of Manpower in Information Technology Enabled Services

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Synopsis:

Now-a-days, Information Technology Enabled Services (ITES) has proved itself to be the fastest growing segment of IT industry, with it's components being, call centre services, Medical transcription and Animation, Telemarketing, Data Processing for banks, Insurance companies, Payroll System etc. ITES has registered an impressive systems etc. ITES has registered an impressive growth of 65% in business as Rs. 117/- bn in 2002-03 against 71 bn in 2001-02. ITES share in total exports was 24% against 19% in 2001-02 and 14.5% in 1999-01. It is expected that by the year 2008, a huge job pool of 1.1 millions will be created.

ITES is open to people of all branches, provided he/she is capable of speaking English fluently and has basic working knowledge in computers. ITES companies arrange for regular training programs for helping the freshers to develop knowledge base in respective technical fields. For e.g., a medical transcriptionist must be familiar with medical terms, names of the drugs etc., a GIS person must have sufficient information in Geography etc. As far as prospect of North-East region of India is concerned in the field of ITES, most of the people here, are good in spoken English. Geographical location is also not going to be a big problem, since, in ITES communication takes place mostly through internet and telephones, not over the road. Moreover, a world-class technological institution IIT – Guwahati is situated here that can provide substantial technical support. So, with sufficient manpower and knowledge source, NE region of India is equipped with perfect scenario for setting up ITES business there. Government should also play it's role by providing certain advantages like, exemption from some taxes, increase communication facilities, launch regularly industry-institute-interaction programs, decrease cost of communication over leased lines, to help ITES companies to do better business.

1. Introduction

ITES is a special form of outsourcing service of non-core activities to a third party who owns and manages the process. This being driven by the need of the organisation to reduce costs on various elements and thereby, increasing portability. Through the contractual service process of BPO (Business Process Outsourcing), the control of business functions (especially those complex ones which are not a cone competency) tend to get distributed and spreaded over geographical boundaries, to get closed to their respective customers for better availability and prompt service. The ITES industry has already been firmly established in India and is growing very enthusiastically. It's healthy participation in economic scenario of the country has already raised lot of expectations. Statistics reveal that a substantially large job pool of almost 1.1 million will be created by this sector, by the year 2008. Hence, the issue of development of manpower in ITES has been so significant now.

2. Distinct components of ITES – types of works actually done :

(a) *Back office / Data processing*

Industries such as banks and aviation require large-scale data processing and data based decision-making capabilities. Raw data and/or paper documents are sent to remote locations (IT enabled destinations) where the data entry and necessary reconciliation is carried out.

Similarly, large insurance companies need to process the claims that they receive on a regular basis. Using high-speed data communication lines for their back office and data processing operations, these banks, airlines, insurance companies & other organisations with extensive data turnover and customer interface, are able to save costs and valuable resources.

(b) *Legal Database Outsourcing*

It involves creating databases of legal records, in-

tending & updating them and mining the data processing to facilitate the process of researching of lawyers.

It eliminates the tedious data processing aspects of legal work that is usually done by junior lawyers. This industry is relatively small in size and is yet to catch on in India, probably because of the skills needed in terms of familiarity with European & US laws.

(c) *Direct customer services through call centres*

In today's world of ruthless competitions, customer support has become integral to organisational success. It is for this reason that call centres have made a niche for themselves. Queries are answered through several communication media like telephone, web chart, web callback, collaborative / shared browsing, fax / fax on demand, voice over internet and e-mail. Live and courteous response to the customers' interrogations, produces a more professional image & emphasizes cordiality towards them. Following pictorial representation will support the changes in characteristics of customer contact from the year 1997 to the year 2003.

1997   ⊠ E-mail ■ Web ☐ Telephone
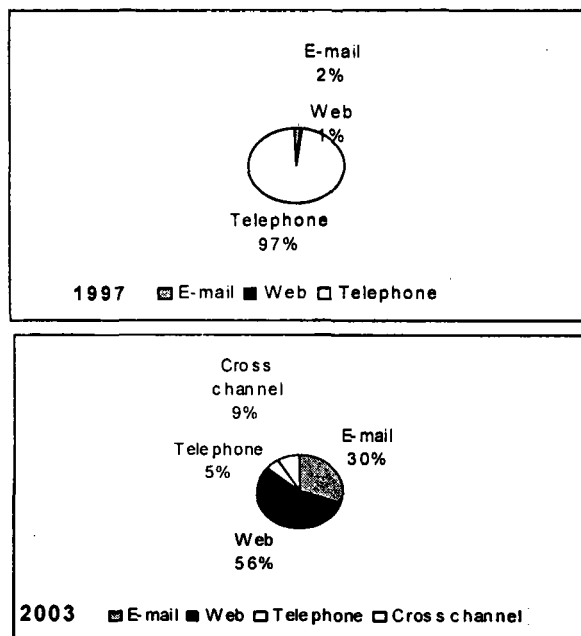

2003   ⊠ E-mail ■ Web ☐ Telephone ☐ Cross channel

Fig1: Source - Forrester Research & Information Week

The distribution of load over different media, reduces the contention at the point of contact,

ensuring rapid response and satisfaction of demanding customers. Otherwise, every missed call leads to the disgust of the client & each of those dissatisfied one tells upto approximately 20 people about their unresolved problem, thereby reducing greatly the good will of the production house in the market. Research reveals that, it costs 6% more to attract new customers than to maintain existing loyal ones. Hence, customer satisfaction is the life of all business domains & is the issue of utmost importance.

(d) *Medical Transcription Services*

Medical Transcription companies use state-of-the-art technology, infrastructure and highly qualified & skilled manpower to provide end-to-end solutions. This technology has broken the barrier of geographical, linguistic and cultural boundary between medical practitioners of the world. Medical transcriptionists act as middleman during those consultation sessions.

(e) *HR Outsourcing*

HR service components include recruitment screening, administration and relocation services, payroll processing, compensation administration, benefit planning, administration and regulating compliance.

(f) *Geographical Information System (GIS)*

GIS is a compendium of tools and methods that are used for study of spatial information. The job basically involves digitizing maps on different themes and also processing a large amount of remotely sensed (RS) data. The IT services that create suitable digital input for GIS require skilled technical manpower.

3. Position of India with respect to ITES :

As per the recent NASSCOM survey report, revenues from ITES sector sky-rocked from Rs.7100 crores in 2001-02 to Rs.11700 crores in 2002-03. Making it a sunrise market in India Information Communication Technology (ICT). From a current workforce of 1,60,000 the ITES will be worth $21-24 billion and will employ over 1.1 million Indians by 2008.

The Indian ITES domain is setup to jump by 25% to 60,700 crores this year, of which exports might constitute 32.84% at Rs.47,500 crores. So, ITES is not the only IT segment to stand tall amidst

downturn, notching up to a 60% growth rate. According to Mr. Kiran Karnik, President of NASSCOM, "whether is was 9/11,the threat of a world war on the overall slowdown ITES has continued to grow at the same pace and with the same enthusiasm. And there is no doubt that this segment will prove to be the 'Job Mecca' for freshers in the days to come". This clearly indicates the eagerness of the ITES industry to absorb deserving candidates.

4. Advantages of outsourcing in India :

India is rich in English speaking people, which is a must for the ITES industry. Moreover, skilled & technically sound employees are available at much lower cost. According to Mr. Christopher Gentle, Director of Deloitte Consulting, "considering that labour costs represent as much as 20-30% of a typical client's business, India's low-cost skills are very attractive. Indeed, the salary of a database manager in India, might be as low as a fifth of that in US". In addition to this, the convenient time-zone difference, resulting in 12 effective working hours and the wealth of 4.2 millions IT professionals with the most happening co-existence of 17 of the 25 'SEI CMM level 5' companies, has proudly crowed India to be the best place for outsourcing ITES.

Liberalisation of global markets and reduced transaction costs (allied by the use of shared infrastructure) augurs well for India, which is also focussing on convergence (providing shared communication facilities), digitisation (enabling immediate distribution) and networking (developing global network markets for easy access & wider reach) the levers of success in ITES market. Domain excellence centres can leverage with the balanced use of marketing and technology focus.

5. North-East region of India & ITES :

In the North Eastern part of India, the educated youths are very proficient in English. Through suitably designed training programs, the smart talented mass can be transformed into a pool of market – conscious and dynamic ITES personnels. "It is important that Indian universities partner with private training Institutes to impart intensive training on industry specific skills", says Sabyasachi Mitra, Associate Professor,

Information Technology Management, Dupree College of Management at Georgin Tech, USA. In this context, NE region is in a very strong position due to the fact that a technical institution of worldwide reputation, IIT Guwahati, is situated there.

The two things that the NE part of India lacks, are (1) Attention of the production houses as a place for setting up business and (2) suitable geographical location.

The second one is not going to be a big problem, since, in the field of ITES, communication takes place over the web, through the satellites, not over the roads. As far as the attention of IT companies are concerned, new campaigns should be launched regularly, developing proper stages of discussion to inform them about the facilities and advantages of setting up business there. The state governments will have to pay active roles in this respect. With the successful implementations of ITES, the burning problem of unemployment can be combated a lot.

6. Role of Pro Active Government of India :

The Indian Government has given a special thrust to the industry by reducing the prices of high-speed, international private leased circuits. Announcements have already been made for exemptions from certain taxes and customs for exports of ITES. A friendly legislative framework is being followed, which consists of the components –

(a) Highly liberal government policies on call centre operations.
(b) Maintenance of high cost competitiveness in service sectors.
(c) 10 year tax holiday.
(d) Duty free import of capital machinery and software.

7. Design of training programmers :

An ITES personnel must posses a strong knowledge base over the particular technical field he/she is associated with. Training programs (1) provide the latest information and hand-on experience on emerging aspects of the industry (2) prepare the associate to answer queries professionally and accurately i.e. the art of responding cordially and at the same time, refrain-

ing from over promising attitudes (3) enhance reporting capabilities and brush-up sense of ethics (4) bring innovations in the responses to customer queries and (5) develop leadership qualities and decision making capabilities.But certain prerequisite qualities should also be there in an ITES personnel, which are not included in training curriculums. The customer service associate should be (1) positive and enthusiastic (2) organised and hard working (3) good with people (4) calm and composed under pressure (5) mature and adaptable (6) analytical skills and (7) eloquence in English, in both British and American accents. A person equipped with these skills, is an ideal ITES professional. Mr. John Barusky, chairman of Inaltus, says "There is much money to be made in ITES career". Call centres have already transformed a common Indian's dream of earning high, into a reality. Says Asheesh Gupta, Head of Hero Mindmine, "Today an average student can achieve success within a small span of time. He may even be a school dropout!".

Along with the above-mentioned mental skills, certain technical field based knowledge is also required, especially for the fields of Medical Transcription, Banking and Finance, Insurance Geographical Information System etc. A medical Transcriptionist must be familiar with (1) Medical Terminologies (2) Operative and consultative procedures (3) Drugs covering all body systems and (4) American laws of confidentially.

A banking and Finance person must be habituated with credit and debit card technology, ATM, data processing works etc. an insurance person should be trained on the areas of application processing, insurance tracking, policy owner services, claims examining and processing, transaction and re-insurance accounting, statutory reporting and benefit administration. Where as for GIS, substantial knowledge of geography is required and like that. To impart training on these different fields, private training centres are also extending supportive hands. NIIT's latest initiative 'PLANETWORKZ' is an important and recognised one, among them.

8. Sustainability of ITES production centres in NE :

ITES by itself, is a very lucrative option for career. Moreover, under the current circumstances, technically competent IT people of NE, have to choose the hi-tech cities like Bangalore and Hyderabad as their workplaces. But, with the development of ITES, they will get the opportunity to work within their respective states only. Hence, it seems that, people of NE will eagerly accept and participate in, the industry of ITES. The ITES houses can also motivate the people through attractive remuneration, proper infrastructure, and chances of capability upgradation, healthy work environment, career grower, challenge and rotation in job profile, appreciation and job satisfaction.

9. Conclusion :

In sum, emerging as the new infotech wave, ITES holds the promise of getting bigger and bigger every year. It has the potential to not only become equal in revenue, size and employment with its parent (IT) industry, but it might perhaps even surpass it.

References :
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